



# The Financial Caregiving Roadmap

The complete guide to protecting and managing  
your loved ones' daily money matters.

[getcarefull.com](https://getcarefull.com)

An estimated 45 million Americans are financial caregivers for a loved one. Financial caregivers perform tasks like helping to pay bills, disputing credit card charges, coordinating family support, looking out for unusual transactions and other daily money management tasks.

Some financial caregivers enter this stage of life suddenly and without warning — perhaps due to a specific event, such as an unpaid bill, a fraud attempt or a medical diagnosis. Others enter it gradually — perhaps out of a sense of duty to one's parents or family members.

Regardless of what originally drew you into your role as a financial caregiver, the job can be overwhelming. There's a lot to learn with few places to turn for help, and it's common to feel that you don't know what you don't know.

Carefull created this Financial Caregiving Roadmap to help guide you through the entire financial caregiving journey — from the time you start having conversations with loved ones about their finances to the point when you have to step in and manage all of their money matters.

For each stage of the journey, we'll tell you what you need to know, what you need to do and how to know when it's the right time to act. We'll also provide you with a checklist to keep you on track and help you make an action plan.

We get it: There's a lot to know and a lot to do (and nobody teaches you this stuff in school). We know that this role can be both time-consuming and stressful.

We hope that this roadmap will make your financial caregiving duties feel a little more manageable and help you feel prepared for what lies ahead, no matter which stage of the journey you're in.

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If your loved ones are no longer capable of managing their finances, you need to take a more hands-on approach. For example, this could happen after a stroke, in the mid-to late stage of dementia or upon admission to an assisted living facility.

Stage 1

# Chart Your Course



## Chart Your Course

You should be having conversations with your loved ones (parents, grandparents or other family members you might have to care for) about their finances before there is a need for care. This will help ensure that essential legal documents are in place and that you have the information you need if you have to start managing their finances.

### **When should you do this?**

It's important that you have these money talks with your family and start planning with loved ones while they are healthy and relatively young.



### Task 1

#### **Talk to your siblings.**

If you have siblings or other family members who might share financial caregiving responsibilities with you, speak with them before speaking to your loved ones about their finances to make sure you're on the same page. Decide with your family members whether one or all of you should initiate money talks with your loved ones. Also, discuss what roles each of you is willing to play if your loved ones' need assistance.

Caring for loved ones can be a source of tension among siblings, especially if there is a perception that the work is not being split equally. You can read more about how to avoid this tension [here](#).



### Task 2

#### **Gather basic details about your loved ones' finances.**

Speak to your loved ones to find out sources of income, where they bank, how bills are paid, what types of insurance policies they have. If you're unsure how to start this conversation with your loved ones, or if they're reluctant to speak with you about this topic, you can [use this Carefull guide](#) to help you make a plan.



### Task 3

## **Make sure your loved ones have named a financial power of attorney.**

Your loved ones can [appoint a power of attorney](#) (POA) to make financial and legal decisions for them if they can't. If you will be helping them with their finances as they age, a power of attorney document must be drafted to name you their agent and signed while they still are mentally competent. If you wait too long, you may need to go through the court system in order to be named their conservator.

There are different types of financial POA to cover different scenarios. In most cases, a **general durable power of attorney** is the best option for financial caregivers because it goes into effect immediately and remains in effect if your loved ones become incapacitated. You want to make sure you get this one right, so encourage your loved ones to have an estate planning attorney or elder law attorney draft this document.

To find an attorney, you can use the National Association of Estate Planners & Council's [online directory](#) to search for an estate planning attorney near you. Or you could search the National Academy of Elder Law Attorneys' [online directory](#). If possible, opt for one with the Certified Elder Law Attorney (CELA) designation.

Although there are do-it-yourself POA forms available online, you should be aware of [the risks](#) of going this route before doing so.





#### Task 4

### **Make sure your loved ones have a living will and health care proxy.**

Your loved ones can spell out what sort of end-of-life medical care they do or do not want with a living will or advance directive. They also can name a health care proxy to make medical decisions for them if they cannot. If you will be a loved one's caregiver, you must be named that person's health care proxy or agent to make health care decisions for him or her.

A living will or advance directive must be drafted and signed while your loved ones still are mentally competent. An attorney can draft this document, but there are free and reliable advance directives for each state [available online through CaringInfo.](#)



#### Task 5

### **Make sure your loved ones have a will or trust.**

Your loved ones need to put into writing who gets their assets when they die. They can do this with a will or living trust. If they die without a will or trust, state law will determine who gets their property. As with power of attorney forms, it is ideal to have an attorney draft this document.



### Task 6

## **Make sure your loved ones have a plan for long-term care.**

Long-term care is a range of services to help people with what are called the activities of daily living (ADLs): bathing, dressing, eating, using the toilet, caring for incontinence, transferring to or from a bed or a chair. Long-term care can be provided in a variety of settings: at home, through community-based services that supplement care at home or in a facility such as assisted living or a nursing home.

Find out whether your loved ones have a plan to pay for long-term care if they need it. Medicare and traditional health insurance do not pay for long-term care. Medicaid will if your loved ones' income is low enough to qualify (read more about those thresholds on the [official government website](#)). Long-term care insurance or a permanent life insurance policy with a long-term care benefit can be purchased while a person still is healthy to help pay for long-term care.

If long-term care is a new topic for you, you can read Carefull's guide to this topic [here](#). If you need help starting the conversation with your loved ones, we've also provided some guidance on that topic [here](#).

If you'd like additional guidance, encourage your loved ones to work with a financial planner to create a plan for paying for long-term care. They can find a fee-only financial planner through the [National Association of Personal Financial Advisors](#) or a planner who charges by the hour through the [Garrett Planning Network](#).

### Next Steps

Taking the steps listed above will give you a solid foundation to build upon if you have to get more involved with your loved ones' financial lives as they age. Be aware, though, that your loved ones might not reach out to you for assistance. That means you should keep an eye out for [signs they need help with their finances](#) – such as trouble with simple math skills, a once-tidy home that's now disorganized or piles of unpaid bills or collection notices.

If you notice changes such as these, it can be time to move onto Stage 2.

Stage 2

# Help Loved Ones Navigate Financial Tasks



## Help Loved Ones Navigate Financial Tasks

Stage 2 of your financial caregiving journey begins when your loved ones start to show signs that they need help staying on top of their finances. They still might be able to handle daily tasks, but they need another set of eyes or a little hand holding to help ensure they don't make costly mistakes.

### When should you do this?

Start helping loved ones with financial tasks if they are showing signs of memory loss, have a health issue that is making it difficult for them to stay on top of finances or have seen a decline in their financial decision-making ability as part of the aging process.



### Task 1

#### **Notify financial institutions of your power of attorney status.**

If your loved ones have named you their power of attorney, let their financial institutions know of your status. You must be appointed someone's POA to legally make financial decisions and transactions for that person.

Each institution has its own process for this. Some will make you fill out their forms in addition to submitting a copy of your POA document. Some will ask you to get the copy of your POA document notarized. **Your best bet is to call the customer service line for the institution and ask what needs to be done.** Institutions and agencies that will require proof of your POA status include your loved ones' banks, credit card issuers, investment firms and insurance companies.

It's a good idea to take this step now even if you're not actively managing your loved ones' finances yet, since your loved ones will still need to be mentally competent to sign those forms. Then you won't have to scramble if an emergency happens.



### Task 2

#### **Sort mail to weed out solicitations.**

Offer to help loved ones go through their mail to sort the bills from solicitations, sweepstakes forms and other offers that should be tossed. This can help prevent them from writing checks or sending their personal information to questionable groups. You also can reduce the marketing mail they get by helping them register at [DMAchoice.org](https://DMAchoice.org) to stop receiving catalogs and magazines, credit cards and other offers.



### Task 3

#### **Create a giving plan.**

If your loved ones feel strongly about giving, help them identify organizations they want to support. Make a list of these organizations and a budget for giving that they can refer to any time they get a call or letter asking for donations. Encourage them to say no to any organization not on their list.



### Task 4

#### **Make a list of recurring bills.**

As you go through your loved ones' mail, make a list of the bills that must be paid, account numbers and contact information for service providers. You also can use [Carefull](#) to automatically identify your loved ones' bill payments and subscriptions to make sure none slip through the cracks.



### Task 5

#### **Set up automatic bill payments.**

Encourage loved ones to set up automatic bill payments for monthly bills such as mortgage payments or rent, car loans, cable TV and phone service (see [which bill payments should be automated](#)). Help them log onto accounts or create online accounts to set up automated payments. Make a list of usernames and passwords in case they forget or if you need them in the future, or help them sign up for an online password manager.

**Task 6****Create a “my Social Security” account.**

If your loved ones receive Social Security, help them log onto SSA.gov to create a [my Social Security](#) account to manage and keep track of their benefits.

**Task 7****Consolidate accounts and credit cards.**

Make it easier for loved ones to stay on top of their finances by encouraging them to consolidate financial accounts. They could shift cash into just one checking account and one savings account.

Ideally, you should transfer funds to the account with the lowest or no monthly maintenance fees. However, review all of the accounts before closing any to see if automatic deposits or withdrawals are being made from these accounts and need to be switched to the primary account.

Credit card balances can be transferred to one card or paid off with a personal loan. Retirement and investment accounts also can be consolidated.



**Task 8****Set up alerts for their financial accounts.**

Help your loved ones log onto their bank and credit card accounts to set up alerts to be notified by text or email of activity on their accounts. This can help them monitor transactions and account balances. It also can help them catch unauthorized charges on their accounts quickly. You can also sign up for [Carefull](#) to automatically receive these types of alerts on your loved ones' accounts.

**Task 9****Check credit reports.**

Help loved ones get a free copies of their credit reports from [annualcreditreport.com](https://annualcreditreport.com). Find out how much is owed on loans, look for mistakes and check for suspicious activity such as lines of credit in your loved ones' names that they didn't open.

**Task 10****Sign up for credit monitoring.**

Your loved ones can get free credit monitoring from services such as [Credit Karma](#) and [Credit Sesame](#), which will keep tabs on their credit reports and credit scores and notify them of changes.

**Task 11****Register with the Do Not Call registry.**

Help your loved ones register their home and mobile phone numbers for free with the National Do Not Call Registry at [donotcall.gov](https://donotcall.gov) to stop unwanted sales calls. It won't prevent scammers from calling. However, because it stops legitimate telemarketers from calling, caution your loved ones that the calls that do get through can be from scammers.

**Task 12****Limit spending.**

If your loved ones are jeopardizing their finances by overspending, help them create a budget using free online tools or even a simple spreadsheet. In extreme cases, you could give them a prepaid debit or credit card to use to limit their spending.

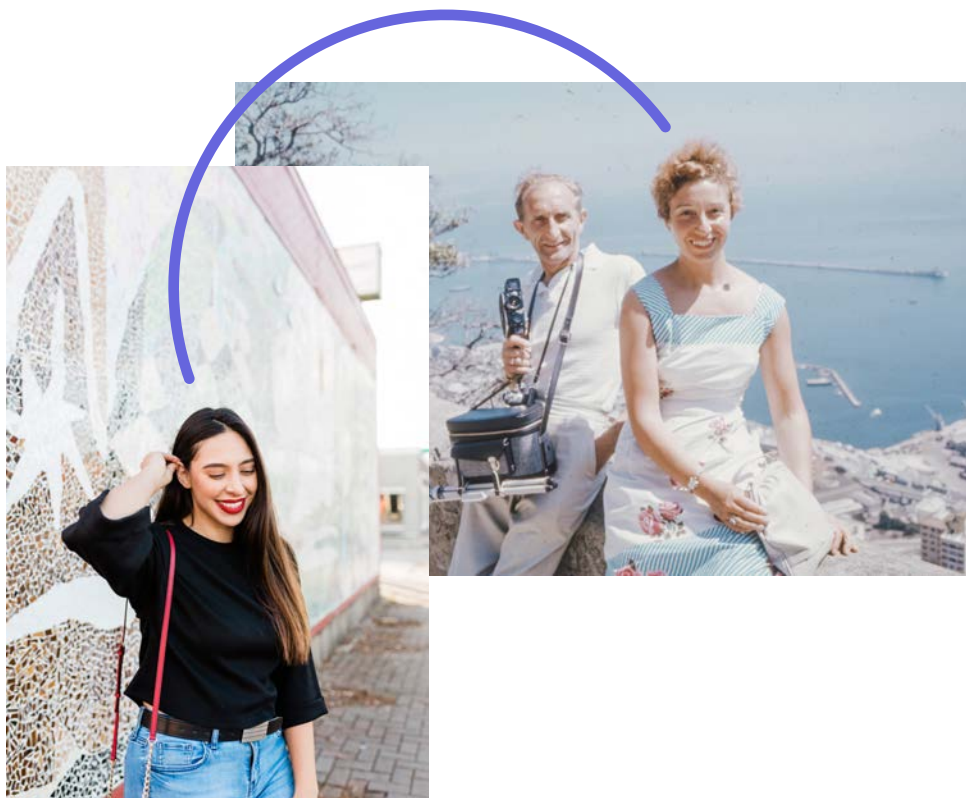
### Next Steps

Keep in mind that you're offering assistance during this stage. Your loved ones likely aren't ready to relinquish their independence. However, if their decision-making ability declines to the point that they're jeopardizing their financial well-being, you need to be ready to take a much more active role by moving onto Stage 3.

Clearly, this can be difficult if your loved ones are reluctant to relinquish control. That's why it's important to emphasize that you want to help them because you love them rather than issue ultimatums – which can lead them to resist your efforts even more.

Stage 3

# Take Control of Your Loved Ones' Finances



## Take Control of Your Loved Ones' Finances

At some point in your caregiving journey, you might have to manage all aspects of your loved ones' finances. The steps you took in Stage 1 and Stage 2 will help prepare you for this role. If you haven't been involved with your loved ones' finances until this point, refer to the checklists for those earlier stages along with this checklist.

### When should you do this?

If loved ones are no longer capable of managing their finances, you need to take a more hands-on approach. For example, this could happen after a stroke, in the mid- to late stage of dementia or upon admission to an assisted living facility.

**Task 1****Create a list of your loved ones' personal information.**

You'll need to know your loved ones' birthdates, Social Security numbers, Medicare or Medicaid numbers, and other personally identifying information to make financial and health care decisions for that person. Also gather insurance cards and policies and identification cards, such as a driver's license and veterans ID. You'll be asked for this information regularly, so it helps to have it all in one place.

**Task 2****Create a list of financial accounts.**

Make a list of all of your loved ones' financial accounts, account numbers, usernames and passwords, and contact information for the financial institutions. Store this list someplace safe so this sensitive information doesn't fall into the wrong hands.

You can download a free "In Case of Emergency Organizer" for storing all of this information [here](#).



### Task 3

#### **Notify financial institutions of your power of attorney status.**

If you haven't already notified your loved ones' financial institutions of your power of attorney status, now is the time to do that. Financial institutions will require you to show them the document naming you as your loved ones' POA or give them a copy before they allow you to act on your loved ones' behalf.

If you haven't been named POA and the loved ones you're caring for are no longer mentally competent, you will need to go through the court process to be appointed their person's conservator. The Family Caregiver Alliance has more information about the [conservatorship process](#).



#### Task 4

### **Notify government agencies of your POA status.**

Some government agencies will require you to fill out their own forms to manage a loved ones' government benefits.

Medicare has a form to appoint an [authorized representative](#). You can fill it out if your loved ones are unable to and you are their power of attorney.

You must apply with the Social Security Administration to become your loved ones' [representative payee](#) to manage benefits for them. If your loved ones don't already have a "my Social Security" account, you can create one at [SSA.gov](#) to access the representative payee portal.

If your loved ones receive veterans benefits and can't manage benefits on their own, contact the Veterans Affairs Department to be [appointed a fiduciary](#) to oversee management of your loved ones' benefits.





#### Task 5

### **Have bills and account statements sent to you.**

If you're in charge of paying loved ones' bills, reach out to service providers to ask that they be mailed or emailed to you. Also contact your loved ones' financial institutions, pension providers and insurers to ensure that they send account statements to you.

Set up automatic payments if possible to make bill payment easier. Cancel subscriptions and accounts such as credit cards that your loved one will no longer be using if he or she is moving into an assisted living facility.



#### Task 6

### **Keep financial records.**

Create a filing system to store your loved ones' financial statements and records. Also consider using a spreadsheet or a tool like [Carefull](#) to track your loved ones' income and expenses.

Having this information will help if you have to file a tax return for your loved ones or annual report with the Social Security Administration. It also will help you remain accountable to other family members who want to ensure that your loved ones' finances are being managed properly.



### Task 7

#### **Track your spending.**

If you're providing monetary support to loved ones, keep tabs on how much you're spending on their care. You might be able to [claim your loved one as a dependent](#) on your tax return if that person is a qualifying relative, has limited income and you provided more than half of that person's support during the year.

Tracking your spending also could come in handy if you've agreed to share the cost of care for a parent with your siblings or other family members.



### Task 8

#### **File tax returns.**

You might have to fill out and sign tax returns for loved ones if they are no longer competent. Notify the IRS of your power of attorney status by [filling out Form 2848](#) and sending in a copy of the POA document along with the federal tax return. Your loved ones' state might also have its own form you need to complete.

It's also possible that your loved ones might not need to file a tax return. You can make that determination using [this tool](#) from the IRS. If they *do* need to file a tax return, you can learn more about how to do that [here](#).



### Task 9

#### **Assess long-term care options and ways to pay.**

Your loved ones might need round-the-clock care at this point. Review [options for long-term care](#) – including care at home, an assisted living facility or nursing home – to decide which best fits your loved one’s needs.

If your loved ones have long-term care insurance or a life insurance policy with a long-term care benefit, review the policy to understand when coverage kicks in and the extent of coverage. Your loved ones might qualify for Medicaid if their income is low enough or by spending down assets. Consider hiring an elder law attorney who specializes in Medicaid planning to help. Or work with a [fee-only financial planner](#) who specializes in long-term care planning to create a plan to pay for care.



### Task 10

#### **Get professional help.**

An aging life care professional (also known as a geriatric care manager or elder care professional) can help manage care for loved ones, assist with financial matters and connect you with local assistance programs. You can find one through the [Aging Life Care Association](#).

You also could hire a [Daily Money Manager](#) to help with your loved ones’ finances. These professionals can handle bill payments, negotiate with creditors and other daily financial tasks.

### A Final Note

Remember that you're not alone in this journey. There are millions of other caregivers in the U.S. Connecting with others in a similar situation can make this difficult time a little easier to navigate.

Most importantly, don't forget to take care of yourself as you care for your loved ones. Ask siblings to pitch in with their time or financial support so you don't have to handle everything by yourself. Take advantage of respite care to get a temporary break from your caregiving duties. The National Respite Network and Resource Center has a [respite locator](#) you can use to find local services that are free or low cost. Get counseling or support from a member of the clergy. Being a caregiver is tough, so don't be afraid to ask for help.



# Safety and support for your parent's money.

Carefull is a new service for financial caregivers — adult children responsible for the financial well-being of a loved one. Our goal is to help you protect and coordinate your loved one's finances and manage their daily money matters.

**Carefull makes financial caregiving easier.**

## Financial Monitoring

Carefull looks out for your loved ones' finances 24/7. Our app reviews each and every transaction to ensure their finances are protected.

## Collaboration & Transparency

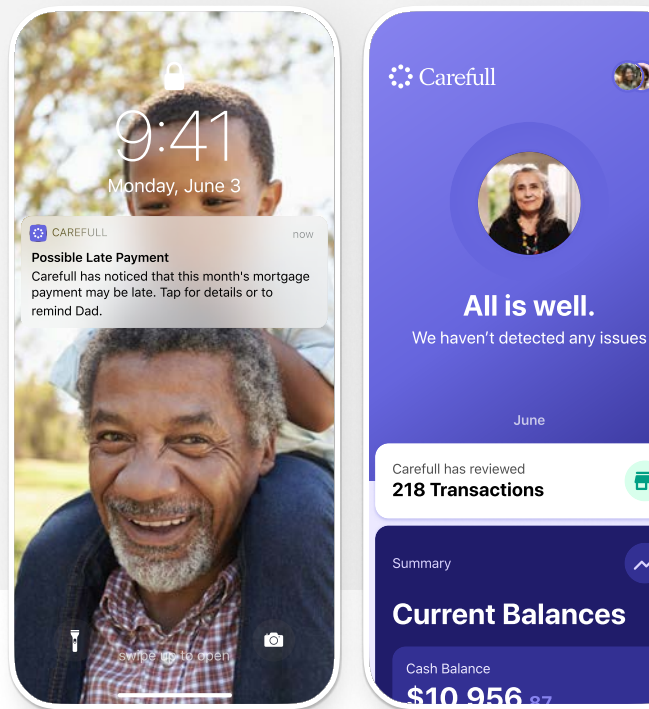
A Carefull Circle helps you bring together family members and professionals to simplify coordination and communication. Work seamlessly together to share and address a loved one's financial problem or concern.

## Fraud & Scam Detection

Carefull's technology learns how your loved ones use money. Then, we can shine a light on potential fraud or scams, while helping you to detect mistakes or misunderstandings.

## Expert Guidance

Carefull provides you with financial caregiving tips and expertise, so that you feel prepared for what lies ahead, no matter which stage of the journey you're in.



**Learn more about Carefull and get started today.**

 **Get started**

